

of the divided question, Senator Hartnett.

SENATOR HARTNETT: Yes, Mr. Speaker and members of the body, I think Senator Hall and Senator Withem raised some very legitimate points because I think I had the same concerns and I had some concerns from small manufacturers or repairers when I first got this bill, but what we do have, I think to answer Senator Withem's question, earlier question, is that there are two things that utilities, I think Peoples Natural Gas has been in the business I think since about 1977 offering a utility. There is rates and there is service, those service contracts, if you can look at them as being separate pots or something. They are separate. The utilities is...the rates are over here, those are...and because the bill is written as it is is to be regulated natural gas or electric utilities, they cannot subsidize the service contract. So that is the reason the amendment of the bill was drafted in this particular fashion. So it simply allows the gas companies to do the same thing that Peoples has been doing since 1977 and really the Insurance Department just discovered that they should be regulating these areas and so forth. Right now, if you are a...you sell an appliance, I'm a dealer, I sell an appliance, you're exempt from your contract if you have a service contract on it, you're exempt right now under this...the particular statutes. If you repair an appliance, if I'm a repair shop, you're also exempt under the exemptions that are in the bill. If you are authorized a service facility by a manufacturer-retailer, you also are exempt under the different exemptions that have been put up. And if you're a manufacturer-retailer you also are exempt. So what this does is simply...doesn't change the playing field. It doesn't make the big Peoples Natural Gas and Minnegas have any advantages over the small manufacturer. It simply keeps them the same thing, something they've been doing, so it is...that is really the purpose of this particular bill that I introduced LB 776 to the Banking and Insurance Committee. So with that, I'd try to answer any questions or so forth.

SPEAKER BARRETT: Thank you. An amendment on the desk, Mr. Clerk.

CLERK: Mr. President, Senator Withem would move to amend this portion of the amendment referenced on page 3, lines 9 and 10 by striking the language which reads, "by a regulated natural gas or electric utility". (Withem amendment appears on page 1500 of the Legislative Journal.)